



# SBAExpress Loan Program

Presented by  
Madison District Office

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## Authority

- SBA Express Program Guide
  - Notice 5000-915
  - Notice 0000-1727
  - Notice 5000-931
  - Notice 5000-850
- CFR-Code of Federal Regulations
- SOP 50-10, 50-50, and 50-51
  - Processing, Servicing, & Liquidation Manuals
- SBA Form 1920SX (Part A-C)
  - Eligibility Information Required for SBAExpress submission
- FY 2005 Consolidated Appropriations Act

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## SBAExpress Program Guide

- Lender must apply all SBA business loan requirements, including those in the Small Business Act, 13 CFR Parts 120 and 121, and SBA SOPs 50-10, 50-50, and 50-51 unless specifically identified as inapplicable by the **Program Guide (page 8)**

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## Lender's Credit Analysis and Procedures

- Appropriate and Generally Accepted
- Consistent with your Non-SBA Commercial loans
- Credit Scoring is acceptable if used for your non-SBA Commercial loans
- Equity injection and Documentation
  - Same as for non-SBA Commercial loans
  - If Required for non-SBA Commercial loans Required for SBAExpress
- Prior Bankruptcy
  - Same as for non-SBA Commercial loans

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## Lender May Rely on

- Applicant's certification provided in Form 1919 Borrower Information Form
- Unless Lender has Contrary Credible Evidence
- INS Form G-845, Required for
  - Non- citizens
  - 20%+ ownership

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INS Form G-845

<http://uscis.gov/graphics/formsfee/forms/g-845.htm>

Form 1919 Borrower Information (below)

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## Borrower Ethical Requirements

- Question 1, 2, and 3 of Form 1919, Borrower Information Form
  - Parole, Probation, or Incarcerated (ineligible)
- If:
  - One misdemeanor in prior 10 Years
  - Up to 3 misdemeanors all over 10 years
- Provide complete Form 912
- SBA will process and issue Gty #
  - SBA will notify lender if it clears/consistent
    - Consistent with FBI Files
  - SBA may cancel guaranty if not

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SBA Form 912

<http://www.sba.gov/sbaforms/sba912.pdf>

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## Lines of Credit

- Revolving Lines of Credit are allowed
  - May **Not** Be Sold on Secondary Market
  - May Be Accessed by Credit Card
  - Applicant Commits to Business Purposes
    - Not Required to Monitor Each Disbursement
  - Maximum - Seven Years
    - Combination of revolving and term

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## Export Express

- \$150,000-\$350,000 75% SBA guaranty
- \$0-\$150,000 85% guaranty
- Enter or expand export market
  - For overseas marketing and distribution
- Existing businesses only
- 1-2 page plan to lender
- Technical assistance from USEAC
  - U.S. Export Assistance Center

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## Programs not Allowed under SBAExpress

- Disabled Assistance Loans
- Energy Conservation Loans
- International Trade Loans Except Export Express
- ESOP Loans
- Pollution Control Loans
- Delta Loans
- CAP line Loans
- CAIP Community Investment Adjustment Loans

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## Businesses not Eligible under SBAExpress

- Agricultural and Farms
- Commercial Fishing and Construction of New Vessels
- Extended Care Facilities/CBRFs
- Mines
- Applicant with Overseas Facilities
- Religion
- Sexual Nature
- Gambling
- Etc.

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## Other Restrictions

- 90% maximum financing of R/E Acquisition or Refinance
- 90% Maximum financing of start-ups
- Previous Submissions
- Contaminated Collateral
- Letters of Credit
- Applicant must be current on existing SBA loans
- Prior Losses to the Government

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## Ineligible use of Proceeds

- Same as Regular 7(a)
  - See National 7(a) Lender's Guide
  - See SOP 50-10 Subpart A Chapter 2 Para. 11
  - See Federal Regulations section 120.130
- Exceptions:
  - See SBA Form 1920SX (Part C)

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SBA Form 1920 SX part C (attached below)

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## Use of Proceeds

- Normal Business purposes
  - Lenders to insure proceeds are used for business purposes
  - Conform with Lenders normal Verification on use of proceeds
  - Communicate to borrowers that proceeds to be used for business purposes only
- See National 7(a) lender's Guide
- Exceptions:
  - SBA Form 1920SX (Part C)

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## Eligible use of Proceeds Examples

- Same as Regular 7(a)
  - Real estate purchase, refinance, remodeling
  - Machinery
  - Inventory
  - Working capital
  - Purchase of a business
  - Start up costs
  - Debt refinance
  - See National 7(a) Lender's Guide

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## Combination / Piggyback Financing

- Not allowed under SBAExpress
- Not allowed at all per Notice 5000-931
- When a lender provides more than one loan to a single borrower (OC / EPC) at about the same time for the same or similar purposes

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## Loan and Guarantee Limits

- 50% Maximum Guaranty Percent
- \$350,000 maximum loan(s) amount
- \$175,000 Maximum Guaranty under SBAExpress
- \$1,500,000 Maximum Guaranty (Regular 7(a) & SBAExpress Combined)
- Guaranty of Multiple Loans allowed
  - Must Not Circumvent SBA Fees 90 day rule

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## Guarantee Fees

- Same as Regular 7(a)
  - Up Front
    - Loan Amount
    - |                           |        |
|---------------------------|--------|
| • 0 - \$150,000           | 2%     |
| • \$150,000+ - \$700,000  | 3%     |
| • \$ 700,000+             | 3.5%   |
| • Amount over \$1,000,000 | +0.25% |
  - Ongoing
    - .5% annual .04167% per Month
    - Paid Monthly with SBA Form 1502
  - 12 Month or less term
    - .025% up-front and .5% ongoing fee
    - If term is extended to over 12 months fee will increase (except in a workout)

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## Other Fees

- Lender may charge the same fees as it charges for its non-SBA commercial loans
- SBA will not purchase any portion of the loan balance that contains these fees

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## Size Standards

- Same as regular 7(a)
  - Manufactures 500 Employees
  - Wholesalers 100 Employees
  - Retailers/Service \$1.5 - 6 million
  - Construction \$12 - 28.5 million
  - Agriculture Not eligible under SBAExpress
- Including all affiliates

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## Interest Rate

- Maximum Interest Rate:
  - 6.5% over Prime for Loans of \$50,000 or less
  - 4.5% over Prime for Loans above \$50,000
- Variable or Fixed Rate Loans allowed
- Not required to use New York Prime
- Can use the same base/Prime as for your non-SBA Loans
- Can't Sell on the Secondary Market unless based on New York Prime
- SBA will pay based on New York Prime plus 2 1/4 - 2 3/4

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## Conflict of Interest

- Real or appearance of a conflict
- Lender, its associate(s), employees, or SBA employee has a direct or indirect financial interest in the applicant
  - Within prior 6 months
  - Anytime while the loan is outstanding
- SBAC, SBDC, SCORE, ACE, Members of Congress, or Appointed Federal legislative or judicial
- See SBA Form 1920SX (Part C)
- Consider Regular 7(a)

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## Term / Maturity

- Same as Regular 7(a)
- Shortest appropriate term to assure repayment
  - Fully Amortizing (Except LOCs)
    - No Balloons allowed
  - W/ C            5 – 7
    - 10 year maximum
  - M & E           Useful life of the Asset
  - R/E              25 years

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## Collateral

- SBAExpress Program Guide Page 18 (Oct 02)
  - No collateral required for loan of \$25,000 or less
  - Lenders collateral policy for loans
  - \$25,000+ to \$150,000
- Policy Notice 5000-850 (Feb 03)
  - Lenders policy for all SBAExpress loans
- Must be Commercially Reasonable and Prudent

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## Debt Refinancing

- Same as Regular 7(a) Except:
  - Can't refinance existing SBA debt
  - Must be current on existing SBA debt
  - Can't refinance Sellers SBA debt if with the same bank
  - Attach a debt schedule (showing terms and justification for the refinance) to Form 1920SX Part C
- SBIC or 504 Debt can't be refinanced

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## Debt Refinancing

### General Rule

- Not meeting the business needs
- Not on reasonable terms
- 20%+ cash flow savings
- Can't refinance existing SBA debt
- Can't refinance if, Creditor is in a position to sustain a loss
- 29+ days past due in prior 36 months
- Loan Transcript

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## Personal Guarantees

- Same as 7(a)
- Required for all
  - Sole Proprietors
  - Partners
  - Owners of 20% or more
- Limited Guarantee for 5-19% owners
  - Lender's discretion
  - At least one guarantor (CEO ?)

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## Liquid Personal Assets

- Same as Regular 7(a)
  - Loan amount                      LPA
  - 0 - 250,000                      2X Project or \$100,000
  - \$250,000+ - \$500,000                      1 ½ Project or \$500,000
  - \$501,000+                      1X Project or \$750,000
    - Whichever is greater
- 20% or more owners
- Cash, CDs, marketable securities, CSV, etc Only
- IRA type investments and real estate Exempt

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## Sale of Business #1

- Same as Regular 7(a)
  - Except; Sale of partial ownership is not allowed
  - Attach; Synopsis of business value analysis
- Arms Length:
  - Willing, Informed and Knowledge Buyer
- Reasonable Need to Sell the Business
  - Health of Seller
  - Retirement
  - Etc.

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## Sale of Business #2

- Methods
  - Gross Revenue Multiplier
  - Adjusted Book Value
  - Discounted Future Earnings
  - Capitalized Adjusted Earnings
  - Cash Flow
  - Other Generally Acceptable Methods

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## Sale of Business #3

- Documentation
  - Prior 3 years F/S (signed by Seller)
  - Current F/S (signed by Seller)
  - Copy of Buy-Sell Agreement
  - Lender's Business Valuation
  - Sale between Close Family Members
    - Formal, Independent valuation by a qualified individual is required.

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## Franchises

- Same as regular 7(a) except lender should determine eligibility if not listed on [www.franchiseregistry.com](http://www.franchiseregistry.com)
- Letter from the franchisor saying there have been no changes since the date listed on the Registry.
- If not on the franchise registry site
  - Lender to obtain: Franchise Agreement, FTC Disclosure Statement and F/S
  - Lender to review the Franchise Agreement and determine if it meets the requirements of SOP 50-10
    - Franchise has the right to profit & risk of loss Commensurate with ownership
    - No excessive restraint on sale of franchise interest

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[www.franchiseregistry.com](http://www.franchiseregistry.com)

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## IRS Verification

- Same as Regular 7(a)
  - Except Lender not required to wait 10 days
  - Not required if credit scoring
    - Sales, N/P, etc not in credit scoring
- IRS Transcript      IRS Form 4506T
  - Income Statement & Balance sheet If Provided to IRS
- Existing Business and Sale of Business

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IRS Transcript

<http://www.sba.gov/sbaforms/f4506.pdf>

IRS Form 4506T

<http://www.sba.gov/sbaforms/f4506t.pdf>

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## Environmental

- Lender is delegated authority to make prudent decision regarding Environmental. Risk
- Lender must follow Environmental. Requirements of SOP 50-10
- On Commercial Real Estate taken as collateral only
- Reasonable and Prudent Belief that there is no Risk of Contamination
- Lender should obtained Sufficient Knowledge of
  - Past and Current Operations
  - Adjacent Businesses
  - Frequent or Likely Polluters

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## Appraisal Requirement

- No required for loans of \$250,000 or less
- May be required for loans over \$250,000
- Required when \$100,000 or more of loan proceeds used for a real estate transaction
  - Acquire
  - Construct
  - Improve

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## Rental Space

- Same as 7(a)
- Existing
  - 51% business occupancy
  - 49% rental
- New
  - 80% business occupancy (New)
  - 20% long term rental
  - 20% short term rental
- Co-borrowers or maker and guarantor

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## Lenders Documentation/Forms

- Lender to Borrower Forms
  - Generally Bank Forms
    - Loan Application
    - Personal Financial Statement
    - Internal Credit Memoranda
    - Loan Notes (Enforceable & Assignable)
    - Collateral Documents
    - Liquidation Documents
    - Except SBA Form 1920SX, Borrower Info.
- Lender to SBA are SBA forms

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## Forms/Procedures

### Eligibility Authorized Lenders

- SBA Form 2238: SBAExpress Guarantee Request (Eligibility Authorized)
  - To Sacramento
  - Loan # Issued in one Business day
- Authorization
  - To Fresno
  - Completed and signed by lender
- Changes
  - To Sacramento within 7 days
  - To Fresno thereafter
- SBA FORM 1919 to Lender File

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SBA Form 2238 (see below)

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## Forms and Procedures

### Other Lenders

- SBA Form 1920SX (Parts A, B, & C)
  - To Sacramento
  - Loan # Issued in one Business day
- Authorization
  - To Fresno
  - Completed and signed by lender
- SBA Form 1919 to Lenders File
  - One for each owner of 20% or more
- Changes
  - To Sacramento within 7 days
  - To Fresno thereafter

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SBA Form 1920SX A B and C (attached below)

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## Closing

- Lender to use the same closing and disbursement procedures as for non-SBA commercial loans
- Lender to Close on Lenders Forms (mostly)
- Legally enforceable & assignable note
- Obtain all collateral and conditions prior to disbursement
- Report of SBA Form 1502 when Approved

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## Closing #2

- Prior to Disbursement
  - IRS Transcripts requested IRS Form 4506-T
  - Evidence of no Un-remedied Adverse change
  - Hazard Insurance in place
  - Flood Insurance (FEMA Form 81-92)
  - Nat'l Earthquake Requirements
  - American Made Goods Agreement
  - SBA Form 601 (construction of \$10,000+)
  - SBA Form 159 (Packagers)
  - Child Support Payment
  - Environmental Review

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## FEMA Forms Area

<http://www.fema.gov/nfip/forms.shtm>

## SBA Form 601

<http://www.sba.gov/sbaforms/sba601.pdf>

## SBA Form 159

<http://www.sba.gov/sbaforms/sba159.pdf>



## Servicing

- Unilateral Servicing Authority
  - To the lenders
  - Except
    - Notice 0000-1727
    - 14 actions requiring SBA Approval
    - 6 items requiring notice
- PLP/SBAExpress Service Checklist

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## 14 Servicing Rules Slide #1

- **SBAExpress Lenders**
- The following actions are not delegated to SBAExpress lenders, pursuant to the SBAExpress Program Guide (10/1/02), ¶7.C (1), p. 29: and Notice 5000-917
- 1. Action that would confer a preference on the lender.
- 2. Compromise with any obligor for less than the full outstanding principal loan balance.

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## 14 Servicing Rules Slide # 2

- 3. Release a guarantor, even if actual demand has not yet been made.
- 4. Title property in the name of SBA
- 5. Take title to environmentally impaired property.
- 6. Transfer a loan to another lender.
- 7. Sell or pledge more than 90% of a loan.
- 8. Change guaranty percentage.
- 9. Repurchase from secondary market.

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## 14 Servicing Rules Slide # 3

- 10. Handle non-routine (contested) litigation or litigation with legal costs over \$5,000.
- 11. Increase the principal amount of the loan.
- 12. Disburse a loan with primary collateral having significant potential environmental risks that are proposed to be minimized by a non-standard indemnification agreement.

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## 14 Servicing Rules Slide #4

- 13. Select firms owned by officers, directors, employees or 10% or more stockholders of the lender to provide care and preservation services, legal assistance, or other liquidation services.

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## 14 Servicing Rules Slide # 5

- 14. Release collateral that will be subsequently pledged for a conventional loan from the lender or any entity owned in whole or in part by the lender's officers, directors, employees, or 10% or more shareholders.

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## Servicing Actions Requiring Notice to SBA

- Loan Cancellations
- Decreases in Loan Amount
- Changes of Maturity
- Changes of Business Name & Address
- Extensions of Disbursement Periods
- Notice of Prepayment

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## Liquidation

- Lender Required to Liquidate
- SBA will Immediately Purchase Defaulted Loans When:
  - Remaining Balance is \$50,000 Less
  - Liquidation will be Delayed
    - Bankruptcy
    - Foreclosure on real estate
- Herndon National Liquidation Center

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Liquidation and loan resolution activities to:

[loanresolution@sba.gov](mailto:loanresolution@sba.gov)

Guaranty purchase requests for loans sold on the secondary market can be addressed to [secondarymarketliq@sba.gov](mailto:secondarymarketliq@sba.gov). For Regular 7(a) guaranty purchase inquiries and requests for purchase email [sbapurchase@sba.gov](mailto:sbapurchase@sba.gov)





## E-TRAN

- Electronic Application
- Internet Access
- Paperless
- Quicker answers
- Visit the banking web-site

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## Application Information to include

- **Lender Name and Address**
  - Contact person, Title, Address, Phone & Fax Number, and Email Address
- **Copy of SBA Forms 750 & 750B**
  - Signed by Bank and District Director
- **Lender Letter Stating**
  - In good standing with primary regulator and not subject to any enforcement action in the past two years.

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SBA Form 750

<http://www.sba.gov/sbaforms/sba750.pdf>

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SBA Form 750b

<http://www.sba.gov/sbaforms/sba750b.pdf>

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## Where to Apply

- SBA Sacramento Loan Processing Center  
501 I Street  
Sacramento, CA 95814-232
- Fax: 916-930-2406
- Phone: 916-930-2455
- Email: [Rick.Apodaca@sba.gov](mailto:Rick.Apodaca@sba.gov)

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[rick.apodaca@sba.gov](mailto:rick.apodaca@sba.gov)

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## ADDITIONAL SBA Contacts

### Fresno Commercial Loan Center

2719 No. Air Fresno Dr. Suite 107  
Fresno CA. 93727-1547  
Phone 559-487-5650  
Fax: 559-487-5803

### National Liquidation/Purchase Center:

1145 Herndon Pkwy, Herndon VA. 20170  
Phone: 703-487-9283  
Fax: 202-484-4674

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## Wisconsin District Contacts

- Website: [www.sba.gov/wi](http://www.sba.gov/wi)

**Milwaukee:** Phone: 414-297-3941  
Fax: 414-297-1377

310 W. Wisconsin Ave., Ste. 400 53203

**Madison:** Phone: 608-441-5263  
Fax: 608-441-5541

740 Regent St., Ste. 100 53715

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[www.sba.gov/wi](http://www.sba.gov/wi)

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## SBAEXPRESS & COMMUNITYEXPRESS BORROWER INFORMATION FORM

(To be completed by each proprietor, partner, officer, director, holder of 20% or more of voting stock of a corporate applicant, any other person, including a hired manager, who has authority to speak for and commit the borrower in the management of the applicant business, and any person from whom a personal guaranty is required by SBA.)

APPLICANT BUSINESS NAME: \_\_\_\_\_

INDIVIDUAL NAME: \_\_\_\_\_ TITLE: \_\_\_\_\_

SOCIAL SECURITY NUMBER: \_\_\_\_\_ DATE OF BIRTH: \_\_\_\_\_

PLACE OF BIRTH (City & State or Foreign Country): \_\_\_\_\_

CITIZENSHIP: \_\_\_\_\_ IF NOT U.S., TYPE OF VISA OR ALIEN REGISTRATION: \_\_\_\_\_

### ALL QUESTIONS MUST BE ANSWERED

- (1) Are you presently under indictment, on parole or probation? ..... Yes ☐ .. No ☐
- (2) Have you ever been charged with or arrested for any criminal offense other than a minor vehicle violation (including offenses which have been dismissed, discharged, or nolle prosequi)? Yes ☐ .. No ☐
- (3) Have you ever been convicted, placed on pretrial diversion, or placed on any form of probation including adjudication withheld pending probation for any criminal offense other than a minor vehicle violation? ..... Yes ☐ .. No ☐
- (4) Has an application for the loan you are applying for now ever been submitted to SBA under any program? ..... Yes ☐ .. No ☐
- (5) Are you presently debarred, suspended, proposed for disbarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency? Yes ☐ ..... No ☐
- (6) If you are at least a 50% or more owner of applicant business, are you more than 60 days delinquent on any obligation to pay child support arising under an administrative order, court order, repayment agreement between the holder and a custodial parent, or repayment agreement between the holder and a state agency providing child support enforcement services? .. Yes ☐ .. No ☐

**If 'YES' to any above question, this application may not be submitted under SBAExpress procedures except according to the SBAExpress Program Guide, § 5.A.(5)(d). Please contact the local SBA office for assistance.**

- (7) Are any of your business' products or services exported. or do you plan to begin exporting as a result of this loan? ..... Yes ☐ .. No ☐
- (8) If 'Yes' to (7) above, estimated total export sales this loan will support: \$ \_\_\_\_\_
- (9) Is your business a franchise? ..... Yes ☐ .. No ☐
- (10) Have you, the business, or its affiliates ever requested government financing? ..... Yes ☐ .. No ☐  
If Yes, is any of the financing currently delinquent? ..... Not Applicable ☐ ..... Yes ☐ .. No ☐  
Did any of this financing ever default and cause a loss to the government? Not Applicable ☐ . Yes ☐ ..... No ☐
- (11) Have you, the business, or its affiliates had a previous SBA loan? ..... Yes ☐ .. No ☐  
If yes, is the loan either current or paid in full? ..... Not Applicable ☐ ..... Yes ☐ .. No ☐
- (12) How many employees does your business have? \_\_\_\_\_
- (13) How many jobs will be created by the new loan? \_\_\_\_\_ How many retained? \_\_\_\_\_
- (14) Did you or the business pay anyone to assist in preparation of this loan (packager, accountant, lawyer, etc.)? ..... Yes ☐ .. No ☐
- (15) Will more than \$10,000 of the loan proceeds be used for construction? ..... Yes ☐ .. No ☐

The Small Business Administration is committed to insuring that all SBA programs are made available to business owners of all races. Furthermore, SBA has specified certain groups to target assistance (such as exporters or veterans). Please provide the information requested below. Your compliance is voluntary and will not affect the credit decision. It does help SBA determine how well certain groups are being served. Thank you for your cooperation.

(16) Are you: ☐ African American      ☐ Puerto Rican      ☐ Native American      ☐ Hispanic  
☐ Asian, Pacific Islander      ☐ Eskimo and Aleut      ☐ Caucasian  
☐ Multi-Ethnic

(17) Are you a veteran of the United States Armed Forces? ..... Yes ☐ .. No ☐  
If yes, was service between June 1964 and August 1973?.....Not Applicable ☐ ..... Yes ☐ .. No ☐

Please read the following restrictions on the reverse of this form regarding use of federal financial assistance programs. If you understand them fully and agree to them, sign the end of this document.

SBA is required to withhold or limit financial assistance, to impose special conditions on approved loans, to provide special notices to applicants or borrowers and to require special reports and data from borrowers in order to comply with legislation passed by the Congress and Executive Orders issued by the President and by the provisions of various inter-agency agreements. SBA has issued regulations and procedures that implement these laws and executive orders. These are contained in Parts 112, 113, and 117 of Title 13 of the Code of Federal Regulations and in Standard Operating Procedures.

**Freedom of Information Act (5 U.S.C. 552)** -- This law provides, with some exceptions, that SBA must supply information reflected in agency files and records to a person requesting it. Information about approved loans that will automatically be released includes, among other things, statistics on our loan programs (individual borrowers are not identified in the statistics) and other information such as the name of borrowers (and their officers, directors, stockholder or partners), the collateral pledged to secure the loan, the amount of the loan, its purpose in general terms and the maturity. Proprietary data on a borrower would not be routinely made available to third parties.

**Right to Financial Privacy Act of 1978 (12 U.S.C. 3401)** -- This is notice to you as required by the Right to Financial Privacy Act of 1978, of SBA's access rights to financial records held by financial institutions that are or have been doing business with you or your business, including any financial institutions participating in a loan or loan guaranty. The law provides that SBA shall have a right of access to your financial records in connection with its consideration or administration of assistance to you in the form of a Government guaranteed loan. SBA is required to provide a certificate of its compliance with the Act to a financial institution in connection with its first request for access to your financial records, after which no further certification is required for subsequent accesses. The law also provides that SBA's access rights continue for the term of any approved loan guaranty agreement. No further notice to you of SBA's access rights is required during the term of any such agreement. The law also authorizes SBA to transfer to another Government authority any financial records included in a application for a loan, or concerning an approved loan or loan guarantee, as necessary to process, service or foreclose on a loan guaranty or collect on a defaulted loan guaranty.

**Flood Disaster Protection Act (42 U.S.C. 4011)** -- Regulations have been issued by the Federal Insurance Administration (FIA) and by SBA implementing this Act and its amendments. These regulations prohibit SBA from making certain loans in an FIA designated floodplain unless Federal Flood insurance is purchased as a condition of the loan. Failure to maintain the required level of flood insurance makes the applicant ineligible for any financial assistance from SBA, including disaster assistance.

**Executive Orders -- Floodplain Management and Wetland Protection (42 F.R. 26951 and 42 F.R. 26961)** -- SBA discourages settlement in or development of a floodplain or a wetland. This statement is to notify all SBA loan applicants that such actions are hazardous to both life and property and should be avoided. The additional cost of flood preventive construction must be considered in addition to the possible loss of all assets and investments due to a future flood.

**Occupational Safety and Health Act (15 U.S.C. 651 et seq.)** -- This legislation authorizes the Occupational Safety and Health Administration in the Department of Labor to require businesses to modify facilities and procedures to protect employees or pay penalty fees. Businesses can be forced to cease operations or be prevented from starting operations in a new facility. Therefore, SBA may require additional information from an applicant to determine whether the business will be in compliance with OSHA regulations and allowed to operate its facility after the loan is approved and disbursed. Signing this form as an applicant is certification that the OSHA requirements that apply to the applicant business have been determined and that the applicant, to the best of its knowledge, is in compliance. Furthermore, applicant certifies that it will remain in compliance during the life of the loan.

**Civil Rights Legislation** -- All businesses receiving SBA financial assistance must agree not to discriminate in any business practice, including employment practices and services to the public on the basis of categories cited in 13 C.F.R., Parts 112, 113, and 117 of SBA Regulations. This includes making their goods and services available to handicapped clients or customers. All business borrowers will be required to display the "Equal Employment Opportunity Poster" prescribed by SBA.

**Equal Credit Opportunity Act (15 U.S.C. 1691)** -- The Federal Equal Credit Opportunity Act prohibits creditors from discriminating against credit applicants on the basis of race, color, religion, national origin, sex, marital status or age (provided the applicant has the capacity to enter into a binding contract); because all or part of the applicant's income derives from any public assistance program, or because the applicant has in good faith exercised any right under the Consumer Credit Protection Act.

**Executive Order 11738 -- Environmental Protection (38 F.R. 251621)** -- The Executive Order charges SBA with administering its loan programs in a manner that will result in effective enforcement of the Clean Air Act, the Federal Water Pollution Act and other environment protection legislation.

**Debt Collection Act of 1982, Deficit Reduction Act of 1984 (31 U.S.C. 3701 et seq. and other titles)** -- These laws require SBA to collect aggressively any loan payments which become delinquent. SBA must obtain your taxpayer identification number when you apply for a loan. If you receive a loan, and do not make payments as they come due, SBA may take one or more of the following actions: (1) report the status of your loan(s) to credit bureaus, (2) hire a collection agency to collect your loan, (3) offset your income tax refund or other amounts due to you from the Federal Government, (4) suspend or debar you or your company from doing business with the Federal Government, (5) refer your loan to the Department of Justice or other attorneys for litigation, or (6) foreclose on collateral or take other action permitted in the loan instruments.

**Immigration Reform and Control Act of 1986 (Pub. L. 99-603)** -- If you are an alien who was in this country illegally since before January 1, 1982, you may have been granted lawful temporary resident status by the United States Immigration and Naturalization Service pursuant to the Immigration Reform and Control Act of 1986. For five years from the date you are granted such status, you are not eligible for financial assistance from the SBA in the form of a loan guaranty under Section 7(a) of the Small Business Act unless you are disabled or a Cuban or Haitian entrant. When you sign this document, you are making the certification that the Immigration Reform and Control Act of 1986 does not apply to you, or if it does apply, more than five years have elapsed since you have been granted lawful temporary resident status pursuant to such 1986 legislation.

**Lead-based Paint Poisoning Prevention Act (42 U.S.C. 4821 et seq.)** -- Borrowers using SBA funds for the construction or rehabilitation of a residential structure are prohibited from using lead-based paint (as defined in SBA regulations on all interior surfaces, whether accessible or not, and exterior surfaces, such as stairs, decks, porches, railing, window and doors, which are readily accessible to children under 7 years of age. A "residential structure" is any home, apartment, hotel, motel, orphanage, boarding school, dormitory, day care center, extended care facility, college or other school housing, hospital, group practice or community facility and all other residential or institutions structure where persons reside.

**I have read the items above and I understand them. I agree to comply, whenever applicable, with the hazard insurance, lead-based paint, civil rights or other limitations in this notice. I agree that all SBA loan proceeds will be used only for business related purposes as specified in the loan application and, to the extent feasible, to purchase only American-made equipment and products. I realize that the penalty for knowingly making a false statement or overvaluing security to obtain a guaranteed loan from SBA is that I may be fined up to \$10,000 and/or be put in jail for up to 5 years under 18 USC §1001 and if submitted to a Federally insured institution, I may be fined up to \$1,000,000 and/or be put in jail for up to 20 years under 18 USC §1014. I authorize the SBA Office of Inspector General to request criminal record information about me from criminal justice agencies for the purpose of determining my eligibility for programs authorized by the Small Business Act, as amended.**

---

SIGNATURE

**SBA Form 1919 (12\_08-04)**

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DATE

## SBAExpress Guarantee Request

TO: Sacramento Loan Processing Center  
Small Business Administration  
U.S. Federal Courthouse  
501 I Street, Suite 12-100  
Sacramento, CA 95814-2322

RE: Applicant Name \_\_\_\_\_

Operating Company (OC) Name (If Applicant is an Eligible Passive Company) \_\_\_\_\_

*(If more than one OC, attach additional sheet with all OC names)*

FROM: Lender \_\_\_\_\_  
Contact \_\_\_\_\_  
Address \_\_\_\_\_  
Phone \_\_\_\_\_ FAX \_\_\_\_\_

### The following items are enclosed:

- [ ] 1. Copy of "Supplemental Information for PLP/SBAExpress Processing" (Part B)
- [ ] 2. Original or facsimile of "Eligibility Information Required for SBAExpress Submission" (Part C)

I approve this application to SBA subject to the terms and conditions stated in this and the attached documents. Without the participation of SBA, to the extent applied for, we would not be willing to make this loan on these terms, and in our opinion the financial assistance approved is not otherwise available on reasonable terms. I certify that none of the Lender's Associates, including but not limited to its employees, officers, directors, or substantial stockholders (more than 10%) has a financial interest in the Applicant. I approve and certify that the Applicant is a small business according to the standards in 13 CFR Section 121, the loan proceeds will be used for an eligible purpose, and the owners and managers of the applicant business are of good character.

Approving/Certifying Lender Official:

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
Date

Type or Print Name and Title Under Signature

**Supplemental Information for PLP/SBAExpress Processing**

☐ PLP   ☐ SBAExpress (Revolving - Yes ☐ No ☐ ) (SBA Export Express - Yes ☐ No ☐ )

☐ EWCP (Revolving - Yes ☐ No ☐ )   ☐ DELTA   ☐ IT

Borrower Name:

Trade Name (dba):  (if no trade name, enter "NA")

Borrower Contact: ☐ Mr   ☐ Ms   First  MI ☐ Last

Borrower Street:

Borrower Zip Code:  Borrower Phone #:

Borrower SSN #:  (must include SSN # for principal of borrower)

Employer ID #:  (if available)

Borrower State:  (2 letter abbreviation)

Borrower County:  Borrower City:

Lender Name:

Lender ID #:  Loan Maturity:  (in months)

Loan Amount: \$  SBA Guarantee %:  %

Construction Amount: \$  ☐ New Construction?

☐ Variable Interest Rate?   Variable Interest Rate: P+  %   Initial Bank Interest Rate:  %

Exporter?   Yes ☐   No ☐

☐ New Business?

☐ Outstanding SBA Loan?

☐ If SBA Export Express, amount in exports applicant  
has projected loan will  
support:

☐ Real Estate Collateral?

Rural ☐ or Urban ☐

NAICS Code:

Number of Employees:  Number of Jobs Created:  Number of Jobs Retained:

☐ Franchise?   Franchiser's Name:    SBA USE ONLY:

☐ Sole Proprietorship?   ☐ Partnership?   ☐ Corporation?   ☐ Other?

Veteran Status Code: 1=Non-Veteran; 2=Vietnam Era Veteran; 3=Other Veteran

Gender Code: M=Male; F=Female

Minority Code: 0=African American; 1=Puerto Rican; 2=Native American; 3=Hispanic; 4=Asian, Pacific Islander;  
5=Eskimo and Aleut; 6=Undetermined; 7=Caucasian; 8=Multi-Ethnic

Owner #	% Owned	Veteran Code	Gender Code	Minority Code	Please reference the above codes to complete this table for each 20% or greater owner of the primary business associated with the borrower.
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	

Were any other SBA loans with maturities of more than 12 months made to the borrower within the last 90 days? If so, please complete for each loan	SBA Loan #	SBA Approval Date	Loan Amount	SBA Guarantee %	Term (in months)
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

**Supplemental Information for PLP/SBAExpress Processing**

Borrower Name:

<b>Use of Loan Proceeds</b>	<b>Amount</b>
Purchase Land	\$
Purchase Land and Improvements	\$
Purchase Improvements	\$
Construct a Building	\$
Add an Addition to a Building	\$
Make Renovations to a Building	\$
Pay Off Interim Construction Loan	\$
Pay Off Lender's Interim Loan	\$
Make Leasehold Improvements to a Building	\$
Purchase Equipment	\$
Purchase Fixtures	\$
Purchase Inventory	\$
Pay Trade or Accounts Payable	\$
Pay Notes Payable	\$
Pay Outstanding Debt	\$
Purchase a Business	\$
Purchase All Outstanding Stock	\$
Pay SBA Loan	\$
Working Capital	\$
Pay the Guaranty Fee	\$
Other	\$
Total	\$



# ELIGIBILITY INFORMATION REQUIRED FOR SBAEXPRESS SUBMISSION

1. Fill out all of this section. If a question in this section is answered "No," the loan is not eligible.

Applicant Name \_\_\_\_\_  
Lender Name \_\_\_\_\_  
Purpose of Loan \_\_\_\_\_  
Describe Type of Business \_\_\_\_\_

Applicant is an operating business organized for profit, is located in United States, has demonstrated a need for the desired credit, and the desired credit is not otherwise available on reasonable terms from non-Federal sources.

YES \_\_\_ NO \_\_\_

The products and/or services of the Applicant business are available to the general public.

YES \_\_\_ NO \_\_\_

Size

Primary industry of Applicant \_\_\_\_\_ NAICS Code of Applicant \_\_\_\_\_

Average annual receipts of Applicant Business (excluding affiliates) over last 3 completed fiscal years \_\_\_\_\_

No. of employees of Applicant Business \_\_\_\_\_ SBA size standard for Applicant \_\_\_\_\_

If size standard is exceeded by no more than 25%, Applicant agrees to use the assistance within a labor surplus area.

YES \_\_\_ NO \_\_\_

**CHECK IF APPLICABLE:**

\_\_\_\_ Applicant has possible affiliates. *If checked, provide the following information in attachment to this form:*

List possible affiliates, discuss possible bases of affiliation and determine if affiliation exists. If affiliation exists, state combined average annual receipts over last 3 completed fiscal years or number of employees for applicant and all affiliates.

\_\_\_\_ Applicant business is a franchise. *If checked, answer the following question. If "No" loan is not eligible.*

Franchisee has the right to profit and risk of loss commensurate with ownership and there are no excessive restraints on the sale of the franchise interest.

YES \_\_\_ NO \_\_\_

Principals of the Applicant

Lender has assessed the liquid assets of the immediate family (including spouse and dependent children) of each owner of 20% or more of the equity of the Applicant (and of the Operating Company, if the Applicant is an Eligible Passive Company) and determined that they do not exceed:

- for a financing package of \$250,000 or less, two times the total financing package or \$100,000, whichever is greater;
- for a financing package between \$250,001 and \$500,000, one and one-half times the total financing package or \$500,000, whichever is greater;
- for a financing package of more than \$500,000, one times the total financing package or \$750,000, whichever is greater.

YES \_\_\_ NO \_\_\_

All principals of business are either U.S. citizens, or non-U.S. citizens whose INS status has been verified by the lender.

YES \_\_\_ NO \_\_\_

CHOOSE ONE:

\_\_\_\_ The business is at least 51 percent owned by individuals who are U.S. citizens and/or who have verified Legal Permanent Resident (LPR) status from INS and control the management and daily operations of the business.

\_\_\_\_ The business is at least 51 percent owned by aliens with a verified status other than LPR, the lender has determined that continual and consistent management of the business has been provided by a U.S. citizen or by a verified LPR for at least one year and will continue indefinitely AND U.S. collateral is pledged sufficient to pay the loan in full at any time. (Businesses less than one year old do not meet these requirements.)

No Associate of the Applicant is incarcerated, on probation, on parole, or under indictment for a felony or a crime of moral turpitude.

YES \_\_\_ NO \_\_\_

## **Terms of the Loan**

The maturity of the loan does not exceed the maximum allowable by SBA and is the shortest appropriate term commensurate with repayment ability of the Applicant. If the loan is revolving, the maturity does not exceed seven years.

YES\_\_\_NO\_\_\_

SBA guaranty percentage does not exceed 50% for an SBAExpress loan or 85% for an SBA ExportExpress loan of \$150,000 or less or 75% for an SBA ExportExpress loan of more than \$150,000.

YES\_\_\_NO\_\_\_

The aggregate amount of the SBA portions for this application and all outstanding loans to Applicant and its affiliates does not exceed \$1,500,000.

YES\_\_\_NO\_\_\_

The aggregate balance of all SBAExpress, FA\$TRAK, and SBA ExportExpress loans to Applicant and its affiliates does not exceed \$350,000.

YES\_\_\_NO\_\_\_

The interest rate of the loan does not exceed 6.5% over prime rate for loans of \$50,000 and less or 4.5% over prime rate for loans over \$50,000.

YES\_\_\_NO\_\_\_

Applicant does not have a non-SBA-guaranteed loan made by any lender at or about the same time for the same or similar purpose as this SBAExpress loan, with a lien position senior to this SBAExpress loan ("Piggyback Loan").

YES\_\_\_NO\_\_\_

## **II. CHECK ANY ITEMS THAT ARE APPLICABLE IN THIS SECTION.**

### **Type of Business**

\_\_\_Applicant is or does one of the following. *If checked, loan is not eligible.*

- primarily engaged in the business of lending
- a passive business that holds real and/or personal property to receive rent or lease income and does not provide sufficient services to deem it active and is not an Eligible Passive Company discussed below
- life insurance company
- pyramid sale distribution plan
- any illegal activity
- consumer or marketing cooperative
- earns 1/3 or more of its gross annual revenue from packaging SBA loans
- primarily engaged in political or lobbying activities
- a speculative business (such as oil wildcatting)

\_\_\_Applicant is a pawn shop. *If checked, answer the following question. If "No" loan is not eligible.*  
More than 50% of Applicant's income for the previous year was from the sale of merchandise rather than from interest on loans.

YES\_\_\_NO\_\_\_

\_\_\_Applicant is a motel, trailer park, campground or similar type of business. *If checked, answer the following question. If "No" loan is not eligible.*

Applicant derives 50% or more of its gross annual income from transients who stay for periods of time not exceeding 30 days.

YES\_\_\_NO\_\_\_

\_\_\_Any of gross annual revenue of Applicant business is derived from gambling. *If checked, answer the following question. If "No" loan is not eligible.*

The revenue is from legal gambling activities and comprises 1/3 or less of gross annual revenue of Applicant business and the business is not a racetrack, casino or otherwise have gambling as its reason for being.

YES\_\_\_NO\_\_\_

\_\_\_Applicant is a private club or business. *If checked, answer the following question. If "No" loan is not eligible.*

Business does not limit the number of memberships for reasons other than capacity.

YES\_\_\_NO\_\_\_

\_\_\_Applicant is a government-owned entity. *If checked, answer the following question. If "No" loan is not eligible.*

Applicant is business owned or controlled by a Native American tribe, but is a separate legal entity from the tribe.

YES\_\_\_NO\_\_\_

\_\_\_\_ Applicant is an Eligible Passive Company (EPC). *If checked, fill in the blanks and answer the following questions. If "No" loan is not eligible. Attach additional sheet with Names and Legal Forms if more than one OC. References below to OC mean each OC.*

Name of Operating Company (OC) \_\_\_\_\_

Legal Form of Entity of OC \_\_\_\_\_

- The EPC will use the loan proceeds to acquire or lease, and /or improve or renovate real or personal property (including eligible refinancing) that it leases 100% to one or more OCs. YES \_\_\_ NO \_\_\_
- The OC is an eligible small business and the proposed use of proceeds would be an eligible use if the OC were obtaining the financing directly. YES \_\_\_ NO \_\_\_
- The EPC (with the exception of a trust) and the OC each are small under SBA's size standards. YES \_\_\_ NO \_\_\_
- The EPC is eligible as to type of business, other than being passive. YES \_\_\_ NO \_\_\_
- The lease between the Eligible Passive Company and the Operating Company will be in writing, will have a remaining term at least equal to the term of the loan (including options to renew exercisable solely by the Operating Company), will be subordinated to SBA's lien on the property and the rents will be assigned as collateral for the loan. YES \_\_\_ NO \_\_\_
- The OC will be a guarantor or co-borrower. If loan proceeds include working capital or assets to be owned by the OC, it will be a co-borrower. YES \_\_\_ NO \_\_\_
- Each 20% or more owner of the EPC and each 20% or more owner of the OC will guarantee the loan. YES \_\_\_ NO \_\_\_
- The aggregate amount of the SBA portions for this application and for all outstanding loans to the EPC, the OC, and their affiliates does not exceed \$1,500,000. YES \_\_\_ NO \_\_\_
- Neither the EPC nor the OC is a trust or SBA requirements regarding trusts are met. YES \_\_\_ NO \_\_\_

### Use of Proceeds

\_\_\_\_ To provide or refinance funds used for payments, distributions, or loan to Associates of the Applicant, except payment of ordinary compensation for services rendered. *If checked, loan is not eligible.*

\_\_\_\_ For debt refinancing. *If checked, ATTACH A DEBT SCHEDULE SHOWING THE TERMS OF THE DEBT TO BE REFINANCED AND THE JUSTIFICATION FOR THE REFINANCING. Also, answer the following questions. If "No" loan is not eligible.*

- Refinancing will provide a substantial benefit to Applicant of at least 20% needed improvement to cash flow or refinanced debt is short-term, involves a balloon payment, or is interest only. If more than one debt is refinanced, no debt being refinanced will have a higher debt service requirement after debt refinancing than prior to refinancing. YES \_\_\_ NO \_\_\_
- Existing debt no longer meets the needs of the Applicant. YES \_\_\_ NO \_\_\_
- If existing debt is between the Applicant and the requesting SBAExpress lender, the debt has been current (no payment beyond 29 days past due) for at least the last 36 months. YES \_\_\_ NO \_\_\_
- Proceeds will not pay a creditor in a position to sustain a loss causing a shift to SBA of all or part of a potential loss from an existing debt. YES \_\_\_ NO \_\_\_
- Debt to be refinanced is not an SBA loan. YES \_\_\_ NO \_\_\_
- Loan will not refund debt to an SBIC. YES \_\_\_ NO \_\_\_
- Loan will not repay third party financing for any existing 504 project. YES \_\_\_ NO \_\_\_
- Loan will not repay delinquent IRS withholding taxes, sales taxes or similar funds held in trust. YES \_\_\_ NO \_\_\_
- YES \_\_\_ NO \_\_\_

\_\_\_\_ For a purpose that will not benefit the small business. *If checked, loan is not eligible.*

\_\_\_\_ To fund or refinance a change in ownership. *If checked, answer the following questions. If "No" loan is not eligible.*

- The change will promote the sound development or preserve the existence of the Applicant business. YES \_\_\_ NO \_\_\_
- The change is an arm's-length transaction supported by a determination of value. The loan file is well documented regarding the valuation and includes the substantiating analysis. If the valuation analysis is performed by the lender's loan officer, a synopsis of the analysis is attached. If buyer and seller are related, transaction is supported by independent third party valuation. YES \_\_\_ NO \_\_\_
- Change is 100% of ownership or a business repurchasing 100% of one or more of its owners' interests. YES \_\_\_ NO \_\_\_
- If the loan is paying off an SBA guaranteed loan of the seller, the loan being paid off is not with the same lender submitting this loan request. YES \_\_\_ NO \_\_\_

\_\_\_ For construction or refinance of construction of a new building. *If checked, answer the following questions. If "No" loan is not eligible.*

- If building will contain rental space, Applicant (or Operating Companies) will continue to occupy at least 60% of the rentable property for the term of the loan; lease long term no more than 20% of the rentable property to one or more tenants; plans to occupy within three years some of the remaining rentable property not immediately occupied or leased long term; and plans to occupy within ten years all of the rentable property not leased long term.
- Community improvements do not exceed 5 percent of construction proceeds of this loan.

YES \_\_\_ NO \_\_\_

YES \_\_\_ NO \_\_\_

\_\_\_ To provide funds for or refinance of acquisition of land or existing building or for renovation or reconstruction of an existing building. *If checked, answer the following questions. If "No" loan is not eligible.*

- Applicant (or Operating Companies) will occupy at least 51% of the rentable property.
- Loan proceeds will not be used to remodel or convert any rental space in the property.

YES \_\_\_ NO \_\_\_

YES \_\_\_ NO \_\_\_

\_\_\_ To provide funds for or refinance of leasehold improvements. *If checked, answer the following question. If "No" loan is not eligible.*

Loan proceeds will be used to improve space occupied 100% by Applicant.

YES \_\_\_ NO \_\_\_

\_\_\_ To provide funds to guarantee or fund a letter of credit. *If checked, answer the following question. If "No" loan is not eligible.*

Loan is an Export *Express* loan.

YES \_\_\_ NO \_\_\_

### **Conflict of Interest**

\_\_\_ Associate or member of Associate's household is GS-13 or higher government employee, Major or Lieutenant Commander or higher in military. *If checked, answer the following question. If "No" loan is not eligible.*

Applicant has submitted statement of no objection by pertinent department or military service.

YES \_\_\_ NO \_\_\_

\_\_\_ A community organization (except state and local development companies) or its officers or its directors have a significant financial interest in the Applicant unless the organization has been inactive in packaging SBA loans for at least two years prior to the application date. *(Loan is not eligible for SBAExpress.)*

\_\_\_ Employee (or member of employee's household) of a community organization such as a certified development company or microlender has a significant financial interest in the Applicant. *(Loan is not eligible for SBAExpress.)*

\_\_\_ SBA employee, close relative or member of employee's household, or former SBA employee separated from SBA less than one year has a financial interest in the Applicant. *(Loan is not eligible for SBAExpress.)*

\_\_\_ Individuals currently involved in the Small Business Institute or Small Business Development Company Programs or members of their household have a significant financial interest in the Applicant. *(Loan is not eligible for SBAExpress.)*

\_\_\_ A member of Congress or member of his/her household is an officer, director or shareholder with 10 percent or more interest in the Applicant. *(Loan is not eligible for SBAExpress.)*

\_\_\_ Appointed official or employee of the federal legislative or judicial branch, a member or employee of a Small Business Advisory Council, a SCORE or ACE volunteer, or a close relative, is a sole proprietor, partner, officer, director, or shareholder with 20 percent or more interest in the Applicant. *(Loan is not eligible for SBAExpress.)*

**Ethical Requirements (If any of these items are checked, loan is not eligible for SBAExpress.)**

- ☐ Lender or Associate of Lender has a real or apparent conflict of interest with Applicant, any of Applicant's Associates, or any of the close relatives of Applicant's Associates.
- ☐ Lender or any Associate of Lender owns or owned within 6 months prior to this application an equity interest in Applicant.
- ☐ Lender or any Associate of Lender is incarcerated, on parole, or on probation or is a convicted felon or has an adverse final civil judgment that would cause the public to question the Lender's business integrity.
- ☐ Lender or any Associate of Lender has accepted funding from a source that restricts, prioritizes, or conditions the types of small businesses that Lender may assist under an SBA program or that imposes any conditions or requirements upon recipients of SBA assistance inconsistent with SBA's loan programs or regulations.
- ☐ Loan proceeds will directly or indirectly finance purchase of real estate, personal property or services from Lender or an Associate of Lender.
- ☐ Applicant, an Associate of Applicant, or close relative of Associate of Applicant is required to invest in Lender.
- ☐ Proceeds will be used to acquire space in project for which lender has issued a real estate forward commitment.

**SBAExpress and Special Program Requirements**

- ☐ Loan is one of the following special purpose loans (*Loan is not eligible for SBAExpress*):
- Disabled Assistance Loan Program (DAL)
  - Energy Conservation
  - International Trade Loans, except for Export *Express* loans
  - Qualified Employee Trusts (ESOP)
  - Pollution Control Program
  - Defense Loan and Technical Assistance (DELTA)
  - CapLines Program (including Builders Loan Program)
  - Community Adjustment and Investment Program (CAIP)
- ☐ Applicant is or does one of the following (*Loan is not eligible for SBAExpress*):
- Agricultural or farm business
  - Fishing or shore operation (including commercial fishing activities and the construction of new fishing vessels)
  - Medical facility involving any type of extended care/assisted living situation
  - Mine (including sand and gravel pits)
  - Has operations, facilities, or offices located overseas (other than those strictly associated with the marketing and/or distribution of products exported from the U.S.)
  - Is engaged in teaching, instructing, counseling or indoctrinating religion or religious beliefs, whether in a religious or secular setting
  - Derives directly or indirectly more than de minimis gross revenue through the sale of products or services, or the presentation of any depiction or displays, of a prurient sexual nature or that presents any live performances of a prurient nature.
- ☐ Loan is under SBA Export *Express*. *If checked, answer the following questions. If "No" loan is not eligible.*
- The business has been operating, although not necessarily in exporting, for at least 12 full months. YES\_\_\_NO\_\_\_
  - Applicant has demonstrated to lender that loan proceeds will enable it to enter a new export market or expand an existing export market. YES\_\_\_NO\_\_\_
  - Proceeds will not be used to finance overseas operations, except for the marketing and/or distribution of products/services exported from the U.S. YES\_\_\_NO\_\_\_
  - If proceeds are being used to finance specific export transactions, lender has determined that U.S. companies are authorized to conduct business with the proposed country and has reviewed the Ex-Im Bank Country Limitation Schedule to verify Ex-Im Bank is open for business in that foreign country. YES\_\_\_NO\_\_\_
- ☐ Applicant has existing SBA loans(s). *If checked, answer the following question. If "No" loan is not eligible.*
- The existing SBA loan(s) is/are current. YES\_\_\_NO\_\_\_
- ☐ Loan finances more than 90% of the actual cost of real estate being acquired or of the financing needs for a new business. (*Loan is not eligible for SBAExpress.*)

\_\_\_ Question 1, 2, or 3 on any required SBA Form 1919, SBAExpress & CommunityExpress Borrower Information Form, for this application is answered "Yes" and form was not cleared by lender pursuant to SBAExpress and SOP guidelines. *(Loan is not eligible for SBAExpress.)*

\_\_\_ Lender is aware that the application was previously submitted to SBA under any SBA program, including SBAExpress, CommunityExpress, PLP, CLP, or regular 7(a). *(Loan is not eligible for SBAExpress.)*

\_\_\_ Loan will have primary collateral that will not meet SBA's environmental requirements or that will require use of a non-standard indemnification agreement. *(Loan is not eligible for SBAExpress.)*

\_\_\_ Business previously defaulted on a Federal loan or Federally assisted financing that resulted in the Federal government or any of its departments or agencies sustaining a loss; or a business owned or controlled by a principal or any Associates which previously owned or operated a business which defaulted on a Federal loan (or guaranteed a loan which was defaulted) and caused the Federal Government or any of its agencies or departments to sustain a loss in any of its programs, including any compromise agreement with any such agency/department; or a principal was the recipient of a student loan that is in delinquent status. *(Loan is not eligible for SBAExpress.)*

**ATTACH SHEET FOR COMMENTS REGARDING ANY OF ABOVE ANSWERS THAT REQUIRE EXPLANATION OR REGARDING ANY OTHER RELEVANT ELIGIBILITY ISSUES.**

Lender hereby certifies that the above information is true and correct, to the best of its knowledge, and that it has exercised due diligence to obtain the true and correct information. Lender is aware and acknowledges that SBA review of this form is a quick look at eligibility intended to provide limited protection to SBA and the lender from making an ineligible loan on which SBA could not honor its guarantee and that if an SBA loan number is assigned and SBA later learns that the loan is not eligible, SBA still may deny liability on its guarantee.

Lender Signature \_\_\_\_\_  
and Typed Name and Title \_\_\_\_\_ Date \_\_\_\_\_

**SBAExpress Guarantee Request (Eligibility Authorized)**Revolving - Yes ☐ No ☐SBA Export *Express* - Yes ☐ No ☐Borrower Name: Trade Name (dba):  (if no trade name, enter "NA")Borrower Contact: ☐ Mr ☐ Ms First  MI ☐ Last Borrower Street: Borrower Zip Code:  Borrower Phone #: Borrower SSN #:  (must include SSN # for principal of borrower)Employer ID #:  Borrower State:  (2 letter abbreviation)Borrower County:  Borrower City: Lender Name: Lender ID #:  Loan Maturity:  (in months)Loan Amount: \$  SBA Guarantee %:  %Construction Amount: \$  ☐ New Construction?☐ Variable Interest Rate? Variable Interest Rate: P+  % Initial Bank Interest Rate:  %Exporter? Yes ☐ No ☐☐ New Business?☐ If SBA Export *Express*, amount in exports applicant☐ Outstanding SBA Loan?has projected loan will support: ☐ Real Estate Collateral?Rural ☐ or Urban ☐NAICS Code: Number of Employees:  Number of Jobs Created:  Number of Jobs Retained: ☐ Franchise? Franchiser's Name:  SBA USE ONLY: ☐ Sole Proprietorship? ☐ Partnership? ☐ Corporation? ☐ Other?

Veteran Status Code: 1=Non-Veteran; 2=Vietnam Era Veteran; 3=Other Veteran

Gender Code: M=Male; F=Female

Minority Code: 0=African American; 1=Puerto Rican; 2=Native American; 3=Hispanic; 4=Asian, Pacific Islander;  
5=Eskimo and Aleut; 6=Undetermined; 7=Caucasian; 8=Multi-Ethnic

Owner #	% Owned	Veteran Code	Gender Code	Minority Code	Please reference the above codes to complete this table for each 20% or greater owner of the primary business associated with the borrower.
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	

Were any other SBA loans with maturities of more than 12 months made to the borrower within the last 90 days? If so, please complete for each loan	SBA Loan #	SBA Approval Date	Loan Amount	SBA Guarantee %	Term (in months)
	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

**SBAExpress Guarantee Request (Eligibility Authorized)**

Borrower Name:

Use of Loan Proceeds	Amount
Purchase Land	\$
Purchase Land and Improvements	\$
Purchase Improvements	\$
Construct a Building	\$
Add an Addition to a Building	\$
Make Renovations to a Building	\$
Pay Off Interim Construction Loan	\$
Pay Off Lender's Interim Loan	\$
Make Leasehold Improvements to a Building	\$
Purchase Equipment	\$
Purchase Fixtures	\$
Purchase Inventory	\$
Pay Trade or Accounts Payable	\$
Pay Notes Payable	\$
Pay Outstanding Debt	\$
Purchase a Business	\$
Purchase All Outstanding Stock	\$
Pay SBA Loan	\$
Working Capital	\$
Pay the Guaranty Fee	\$
Other	\$
Total	\$

Lender Contact: ☐ Mr ☐ Ms First  MI ☐ Last Lender Contact Phone #:  Lender Contact Fax #: 

I certify that this applicant and this loan meets SBA's eligibility requirements and I acknowledge complete liability for the loan if it later comes to the attention of SBA or the lender that the applicant was ineligible.

Signature: \_\_\_\_\_

Name & Title: Date: